



Date: 11<sup>th</sup> August, 2016

To The Director,  
The National Environmental Management Council  
P.O. Box 63154,  
Dar es Salaam, Tanzania

**RE: APPEAL TO THE REVIEW PROCESS BUDGET FOR THE PROPOSED  
CONSTRUCTION OF EDIBLE SUNFLOWER OIL PRODUCTION PLANT,  
MAJENGO MNADANI AREA, MANYONI WARD, IN MANYONI DISTRICT,  
SINGIDA REGION**

Kindly refer to the above Captioned subject.

Reference is made to your letter NEMC/HQ/EIA/05/0599/Vol.1/04 dated 02<sup>nd</sup> August 2016.

QSTEK FARMING LTD is a local company registered and given the certificate of incorporation No. 109290 of 25<sup>th</sup> June 2014. The company is planning to construct edible sunflower oil production plant at Majengo Mnadani area, Manyoni ward, in Manyoni district, Singida region.

The project was first registered at your esteemed office on 17<sup>th</sup> November 2015 and was suppose to be constructed at Plot No. 28-35, Block A at Manganjuki Village, Mandewa ward, Singida Municipality. It was charged TZS 6,509,000 through your letter of 29 December 2015 with reference NEMC/EAI/10/0138/Vol.1/3 and the payment was done on 9<sup>th</sup> January 2016. It was then subjected to EIA process to fulfill the compliance requirement and reached a stage of addressing Technical Advisory Committee (TAC) meeting before the site was re-located to Manyoni due to refusal by the Singida Municipal Council to change the use of project site to industrial uses.

After the re-location of the project site, we informed the council and were advised to re-start the EIA process since the study is site specific. Re-registration and subsequently re-submission of scoping report was done. We received the review process budget amounting to TZS 30,000,000 which is almost five times the previous budget. The lumpsum figure does not even include the breakdown to indicate its rationale. On top of that we still have to incur transport costs for the team that will visit the project area in Manyoni.

We are amazed first on the differences of the budget within a short period of time and considering that ours is not a new application but site relocation for the EIA process previously applied. Moreover we consider such unjustified big jump on EAI fee model is in contravention to Government's concerted effort to promote industrial investments in the country as well as devalue compliance obligation to investors.

Based on the above we are hereby appealing to the Council to revise its review process budget considering the narration above so that the compliance process can be finalized



**NATIONAL ENVIRONMENT MANAGEMENT  
COUNCIL (NEMC)**  
BARAZA LA TAIFA LA HIFADHI NA USIMAMIZI WA MAZINGIRA

Telephone: +255 22 2774889,  
Direct line: +255 22 2774852  
Mobile: 0713 608930  
Fax: +255 22 2774901  
Email: dg@nemc.or.tz  
Website: www.nemc.or.tz

35 Regent Street,  
P. O. Box 63154  
11404 Dar es Salaam  
TANZANIA

*In reply please quote:*

Ref: NEMC/HQ/EIA/05/0599/Vol. I/07

Date: 26/10/2016

Managing Director,  
QSTEK Farming Limited,  
P.O. Box 106242,  
Dar es Salaam.

**RE: REVIEW COSTS FOR THE PROPOSED CONSTRUCTION OF EDIBLE  
SUNFLOWER OIL PRODUCTION PLANT AT MAJENGO MNADANI AREA,  
MANYONI WARD IN MANYONI DISTRICT, SINGIDA REGION**

We acknowledge receipt of your letter dated 21<sup>st</sup> September, 2016 seeking review of the review costs of the above mentioned project.

The Council has reviewed the your letter and has come to the conclusion that you undertake the EIA study, prepare the EIA report and submit the EIS to the National Environment Management Council according to the requirements of the EIA and Audit Regulations, 2005.

Please note that the following should be done before submitting the EIS report:-

- i. You should submit the Invoice given to you by the Council No. 2714 that amounted **Tsh 30,000,000/=** that was submitted with the Terms of Reference (ToR) approval letter (Ref: NEMC/HQ/EIA/05/0599/Vol. I/04) for cancellation procedures.

Upon submission of the EIS, the Council will arrange for a technical review of the document by the Cross-sectoral Technical Advisory Committee (TAC). Prior to review, representatives of the TAC will visit the proposed project area to inspect the site and verify the adequacy of the EIS.

The new budget for these review activities now amounts to **Tsh. 6,509,000/=**. The funds can be paid by Cheque or in Cash to NEMC's Current Account No. **0150005055800, CRDB Bank Plc; Branch: TOWER; swift code CORUTZXXX; Account name: National Environment Management Council.** Funds to facilitate the review process should be paid to the Council on the date of submission of the EIS. Please note that this budget does not

---

**All correspondence should be addressed to the Director General**



Ref: TIB/ORG/18

4 January 2017

The Managing Director  
QSTEK Farming Limited  
P O Box 106242  
Dar es Salaam

Dear Sir,

RE: APPLICATION FOR A TERM LOAN OF TZS 3.07 BILLION AND WORKING CAPITAL OF TZS 3.91 BILLION

Refer to the above captioned subject and subsequent correspondences regarding thereof.

We regret to inform you that your application did not meet TIB's lending criteria for the requested facilities. Therefore, it has been decided to decline your request.

We appreciate for the interest you have shown to work with TIB and wish you success in your future business endeavors.

Attached herewith please find the documents you submitted in support of your application. Do not hesitate to contact the undersigned for any further clarifications.

Yours faithfully,  
TIB Development Bank Limited

Sungi Mlengeya  
Officer - Project Finance

Heri Kalungwana  
Zonal Manager - Arusha

Cc: Managing Director  
INTERFINI Consultants Limited  
P.O. Box 5966  
Dar es Salaam



**TIB  
DEVELOPMENT  
BANK**  
Your Partner for Growth

Ref: TIB/ORG/18

010 February 2017

The Managing Director  
QSTEK Farming Limited  
P O Box 106242  
Dar es Salaam

Dear Sir,

**RE: APPLICATION FOR A TERM LOAN OF TZS 3.07 BILLION AND WORKING  
CAPITAL OF TZS 3.91 BILLION**

Refer to the captioned subject and various telephone conversations on the matter. We acknowledge receipt of your letter dated 20<sup>th</sup> January 2017 which requests further explanation on the bank's decision to decline the said application.

The decision to decline your application as per our letter dated 4<sup>th</sup> January 2017 among other reasons include:

1. The bank has sector exposure constraint which limits its ability to provide the requested facility.
2. Performance of similar projects in bank's portfolio is not good and therefore the bank wouldn't encourage further exposure in the sector at this moment.

Once again should you require a further and an in detail clarification on the limitation of your application we shall appreciate if you take the effort to contact/visit the Zonal Offices - Arusha / Head Office - Dar es Salaam.

We appreciate the interest you have shown to work with TIB and wish you success in your business endeavors.

Yours sincerely,  
TIB Development Bank Limited

Sungi Mlengeya  
Officer - Project Finance

Heri Kalungwana  
Zonal Manager - Arusha

Cc: Managing Director  
INTERFINI Consultants Limited  
P.O. Box 5966  
Dar es Salaam

### Utilized Relief Amount for TIC certificate no. 042903

S/N	Item	Relief Amount (TZS)		Total (TZS)
		Import Duty	VAT	
1	Prefabricated workshop materials for sunflower oil processing plant	34,780,905	-	34,780,905
2	20 T/D Sunflower Oil Processing Machines	-	68,979,149	68,979,149
<b>TOTAL UTILIZED RELIEF SO FAR</b>			<b>TZS</b>	<b>103,760,054</b>